

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SHELBY ENERGY	)	
COOPERATIVE, INC. FOR A CERTIFICATE	)	
OF CONVENIENCE AND NECESSITY	)	
ALLOWING IT TO APPLY FOR AND OBTAIN	)	CASE NO.
A FRANCHISE FROM THE CITY OF	)	2001-237
CAMPBELLSBURG, KENTUCKY TO	)	
PROVIDE ELECTRIC UTILITY SERVICE	)	
WITHIN THE CITY	)	

O R D E R

On July 30, 2001, Shelby Energy Cooperative, Inc. ("Shelby Energy") filed with the Commission its application seeking a Certificate of Convenience and Necessity to qualify it to bid on an electric franchise in the city of Campbellsburg, Kentucky. Under the provisions of KRS 278.020(3), no utility may apply for a franchise from any governmental agency until it has obtained a Certificate of Convenience and Necessity from this Commission based on our finding that there is a need and demand for the service sought to be rendered.

The Commission determines that there is evidence of a need and demand for electric service in the above-mentioned city. Since the Commission's authority in such matters is limited by statute to finding only whether there is a need and demand for the service sought to be rendered, no finding or determination is made as to the qualifications of the bidder, the validity of any of the provisions of the franchises offered by said city, or the manner in which any franchise fee is to be treated for rate purposes.

IT IS THEREFORE ORDERED that:

1. Shelby Energy is granted a Certificate of Convenience and Necessity that authorizes it to bid on an electric franchise in the above-mentioned city.

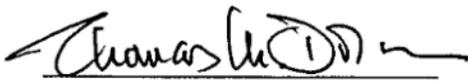
2. Shelby Energy, if it becomes the successful bidder, shall file with this Commission two copies of the franchise agreement.

3. This Order shall not be construed as granting a Certificate of Convenience and Necessity to construct utility facilities in said city.

Done at Frankfort, Kentucky, this 13<sup>th</sup> day of August, 2001.

By the Commission

ATTEST:

  
Executive Director